

ASSEMBLY BILL

No. 1748

**Introduced by Committee on Revenue and Taxation (Charles
Calderon (Chair), Arambula, Eng, Feuer, and Hayashi)**

March 22, 2007

An act to amend Sections 6478, 7204.3, 7211, 7252, 7273, 7659.7, 9304, 30182, 30187, and 60653 of, to add Section 7269 to, to repeal Sections 7204.02, 7204.5, 7208, 7251.2, 7252.5, 7252.6, 7252.7, 7252.8, 7252.9, 7252.10, 7252.11, 7252.12, 7252.13, 7252.15, 7252.16, 7252.21, 7252.22, 7252.30, and 7271.05 of, and to repeal Chapter 2.67 (commencing with Section 7286.28) of, Chapter 2.8 (commencing with Section 7286.40) of, Chapter 2.90 (commencing with Section 7286.47) of, Chapter 2.95 (commencing with Section 7286.56) of, and Chapter 2.96 (commencing with Section 7286.65) of, Part 1.7 of Division 2 of, the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL’S DIGEST

AB 1748, as introduced, Committee on Revenue and Taxation. Taxation.

(1) Under the Sales and Use Tax Law and the Motor Vehicle Fuel Tax Law, certain taxpayers whose monthly tax liabilities meet or exceed specified amounts are required to make monthly prepayments of their tax liability. Under those laws, if a taxpayer fails to make timely prepayment of the tax liability then a 6% penalty will apply to the amount not timely remitted. Existing law requires that the penalty be increased to 10%, as provided, if a person’s failure to make a prepayment is due to negligence or intentional disregard of that law. Existing law provides a mechanism for a taxpayer to dispute the imposition of the negligence penalty.

This bill would provide that the 10% negligence penalty law would be assessed as a deficiency determination in order to allow taxpayers an opportunity to dispute the application of negligence penalty by filing a petition for redetermination

(2) The Bradley-Burns Uniform Local Sales and Use Tax Law and the Transactions and Use Tax Law authorize local governmental agencies to impose sales and use taxes in modified conformity to state sales and use taxes and authorize the State Board of Equalization to impose specified charges in administering those local taxes, as provided.

This bill would make clarifying changes to those provisions.

(3) The Bradley-Burns Uniform Local Sales and Use Tax Law provides that all sales and use taxes collected by the State Board of Equalization pursuant to contract with any city, city and county, redevelopment agency, or county, shall be transmitted by the board to those local entities, as specified.

This bill would repeal obsolete provisions related thereto.

(4) Existing law authorizes various local governmental entities, subject to certain limitations and approval requirements, to levy transactions and use taxes in accordance with procedures and requirements set forth in the Transactions and Use Tax Law, and requires the local governmental entities, including districts, as defined, to contract with the State Board of Equalization to administer all transactions and use taxes, as authorized. Existing law provides that those taxes collected by the board shall be transmitted to the local governmental entities based on the location in which the sales were made. Existing law does not provide a mechanism for the board to redistribute the transactions and use tax revenues that have been misallocated to a district.

This bill would allow the board to redistribute the revenues, collected by the board pursuant to a contract with the districts, that were originally misallocated by the board, but would limit the amounts eligible for the redistribution only to those amounts that were originally distributed not earlier than 2 quarterly periods prior to the quarterly period in which the board obtains knowledge of the improper distribution.

This bill would also make clarifying changes to and would repeal obsolete provisions under the Transactions and Use Tax Law.

(5) The Use Fuel Tax Law and the Diesel Fuel Tax Law both impose a tax upon each gallon of fuel subject to tax under those laws, and provide, as specified, for the transfer of revenues derived from those taxes, after authorized refunds and other allocations for specified purposes, to the Highway Users Tax Account in the Transportation Tax

Fund. The Motor Vehicle Fuel Tax Law also imposes a tax of \$0.18 per gallon of fuel and requires that a portion of the amounts collected under that law be continuously appropriated for expenditure for specified purposes.

Existing law requires the Controller to transfer revenues derived from the taxes imposed under the Use Fuel Tax Law and the Diesel Fuel Tax Law to the Highway Users Tax Account at the same time as the transfers of moneys received under the Motor Vehicle Fuel License Tax Law are made.

This bill would revise the Use Fuel Tax Law and the Diesel Fuel Tax Law to correct obsolete references to the “Motor Vehicle Fuel License Tax Law,” which effective January 1, 2002, was renamed as the “Motor Vehicle Fuel Tax Law.”

(6) The Cigarette Tax Law requires distributors and wholesalers of cigarette and tobacco products to be licensed by the State Board of Equalization. The Cigarette Tax Law requires a tax imposed by that law with respect to distributions of cigarettes to be paid by distributors through the use of stamps or meter register settings, and requires that these stamps or meter register settings be affixed to each package of cigarettes sold. Existing law requires distributors that elect to defer payments for stamps and meter register settings to file a report with the board regarding the distribution of cigarettes and purchases of stamps and meter register settings on or before the 5th day of the month following month during which the cigarettes or tobacco products were distributed.

This bill would, instead, require those distributors who elect to defer payments to file the report with the State Board of Equalization regarding the distribution of cigarettes and purchases of stamps and meter register settings on the 25th day of the following the month during which the cigarettes or tobacco products were distributed.

(7) The Cigarette Tax Law imposes a tax on every distributor of cigarettes and tobacco products at specified rates. Consumers and users subject to the tax resulting from the use or consumption of cigarettes or tobacco products, as defined, from whom the tax has not been collected are required to file a report of the amount of cigarettes received during the preceding month with the State Board of Equalization on or before the 25th day of the month following the month during which the cigarettes were received.

This bill would, instead, require a consumer or user subject to the tax, from whom the tax has not been collected, to file a report of the

amount of cigarettes or tobacco products received during the preceding month with the State Board of Equalization on or before the last day of the month following the end of the quarter during which the cigarettes or tobacco products were received.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 6478 of the Revenue and Taxation Code
2 is amended to read:

3 6478. (a) If a failure to make a prepayment as described in
4 Section 6477 is due to negligence or intentional disregard of this
5 part or authorized rules and regulations, the penalty shall be 10
6 percent instead of 6 percent.

7 (b) If any part of a deficiency in prepayment is due to negligence
8 or intentional disregard of this part or authorized rules and
9 regulations, a penalty of 10 percent of the deficiency shall be paid.

10 (c) The provisions of this section shall not apply to amounts
11 subject to the provisions of Sections 6484, 6485, 6511, 6514, and
12 6591.

13 (d) *The 10 percent negligence penalty shall become due and*
14 *payable and shall be ascertained and determined in the same*
15 *manner as the deficiency determination under Article 2*
16 *(commencing with Section 6481) of this chapter. The provisions*
17 *of Article 5 (commencing with Section 6561) of this chapter shall*
18 *be applicable with respect to the finality of the determination and*
19 *the right to petition for redetermination.*

20 SEC. 2. Section 7204.02 of the Revenue and Taxation Code
21 is repealed.

22 ~~7204.02. (a) On or before March 1, 1992, the Controller shall~~
23 ~~calculate the total amount that has been transmitted to each city,~~
24 ~~county, and city and county pursuant to Section 7204.01, and shall~~
25 ~~provide those calculations to the State Board of Equalization.~~

26 ~~(b) Beginning on July 1, 1992, and for each year thereafter to~~
27 ~~July 1, 1997, inclusive, the State Board of Equalization shall reduce~~
28 ~~the amounts that would otherwise be transmitted to each affected~~
29 ~~city, county, and city and county pursuant to Section 7204 by an~~
30 ~~amount sufficient to recover one-fifth of the amount transmitted~~
31 ~~to the city, county, or city and county pursuant to subdivision (c)~~

1 of Section 7204.01, plus interest after January 1, 1992, or the other
2 applicable date, at the annual rate of 3 ½ percent. The board shall
3 distribute the reductions in transmittals over the fiscal year in the
4 manner it determines to be least disruptive to each affected city,
5 county, and city and county.

6 ~~(e) The board shall transmit the amounts withheld from each~~
7 ~~affected city, county, and city and county, and the interest amounts~~
8 ~~pursuant to subdivision (b) to the Special Fund for Economic~~
9 ~~Uncertainties.~~

10 SEC. 3. Section 7204.3 of the Revenue and Taxation Code is
11 amended to read:

12 7204.3. The board shall charge a city, city and county,
13 redevelopment agency, or county an amount for the board's
14 services in administering the sales and use tax ordinance of the
15 local entity, as determined by the board with the concurrence of
16 the Department of Finance, as follows:

17 (a) Beginning with the 2006–07 fiscal year, the amount charged
18 each local entity shall be based on the methodology described in
19 Alternative 4C of the November 2004 report by the State Board
20 of Equalization entitled “Response to the Supplemental Report of
21 the 2004 Budget Act.”

22 (1) The amount charged may be adjusted in the current fiscal
23 year to reflect the difference between the board's budgeted costs
24 and any significant revised estimate of costs. Any adjustment shall
25 be subject to budgetary controls included in the Budget Act. Prior
26 to any adjustment, the Department of Finance shall notify the
27 Chairperson of the Joint Legislative Budget Committee not later
28 than 30 days prior to the effective date of the adjustment.

29 (2) The amount charged each ~~district~~ *local entity* shall be
30 adjusted to reflect the difference between the board's recovered
31 costs and the actual costs incurred by the board during the fiscal
32 year two years prior.

33 (b) The amounts determined by subdivision (a) shall be deducted
34 in equal amounts from the quarterly allocation of taxes collected
35 by the board for the city, city and county, redevelopment agency,
36 or county.

37 SEC. 4. Section 7204.5 of the Revenue and Taxation Code is
38 repealed.

39 ~~7204.5. (a) For purposes of this section:~~

40 ~~(1) “City” means any city located within the County of Napa.~~

1 ~~(2) “County” means the County of Napa.~~

2 ~~(3) “Quarterly taxes” means the total amount of sales and use~~
3 ~~taxes transmitted by the board to a city or the county for a calendar~~
4 ~~quarter.~~

5 ~~(4) “Refund” means the amount of sales and use taxes deducted~~
6 ~~by the board from a city’s or the county’s quarterly taxes in order~~
7 ~~to pay the city’s or county’s share of a sales and use tax refund~~
8 ~~due as a result of overpayments of sales or use tax on the sale or~~
9 ~~purchase of oak barrels purchased for the purpose of physically~~
10 ~~incorporating oak into wine to be sold.~~

11 ~~(5) “Offset portion” means that portion of the refund which~~
12 ~~exceeds fifty thousand dollars (\$50,000) in a calendar quarter.~~

13 ~~(6) For purposes of calculating the “offset portion” the total~~
14 ~~refunds issued or to be issued shall be aggregated each quarterly~~
15 ~~period and shall be offset by an amount which exceeds fifty~~
16 ~~thousand dollars (\$50,000) for that quarterly period.~~

17 ~~(b) (1) Upon notification by the board that a city or the county~~
18 ~~is subject to an offset portion, the city or county may, within 30~~
19 ~~days after the date of that notification, request the board to deduct~~
20 ~~a pro rata share of the offset portion from that city’s or county’s~~
21 ~~future transmittals of sales and use taxes.~~

22 ~~(2) Except as provided in subdivision (c), if the board has~~
23 ~~deducted a refund from the city’s or county’s quarterly taxes which~~
24 ~~includes an offset portion, then the following provisions apply:~~

25 ~~(A) For the 1997 calendar year, within nine months after the~~
26 ~~board deducted an offset portion, the city or county may request~~
27 ~~the board to transmit the offset portion to that city or county. After~~
28 ~~calendar year 1997, the city or county may make that request within~~
29 ~~three months after the board deducted the offset portion.~~

30 ~~(B) As promptly as feasible after the board receives the city’s~~
31 ~~or county’s request, the board shall transmit to that city or county~~
32 ~~the offset portion as part of the board’s periodic transmittal of sales~~
33 ~~and use taxes.~~

34 ~~(3) The board shall thereafter deduct a pro rata share of the~~
35 ~~offset portion from future transmittals of sales and use taxes to the~~
36 ~~city or county over a period not to exceed 12 quarters until the~~
37 ~~entire amount of the offset portion has been deducted.~~

38 ~~(c) The board shall not transmit the offset portion of the refund~~
39 ~~to the city or county if that transmittal would reduce or delay either~~
40 ~~the board’s payment of the refund to the taxpayer or the board’s~~

1 ~~periodic transmittals of sales and use taxes to any other city,~~
2 ~~county, city and county, or redevelopment agency in this state.~~

3 SEC. 5. Section 7208 of the Revenue and Taxation Code is
4 repealed.

5 ~~7208. Every notice of determination of use tax authorized by~~
6 ~~this part shall be served within four months from the end of the~~
7 ~~quarterly period during which the storage, use or other consumption~~
8 ~~of the tangible personal property became taxable; provided, the~~
9 ~~tangible personal property was purchased from a retailer whose~~
10 ~~place of business was located in a county which did not impose a~~
11 ~~tax pursuant to this part but which county does impose such a tax~~
12 ~~for the first time to be operative on or after July 1, 1959, but not~~
13 ~~later than July 1, 1960.~~

14 SEC. 6. Section 7211 of the Revenue and Taxation Code is
15 amended to read:

16 7211. Notwithstanding Section 7203.5, the State Board of
17 Equalization shall continue to administer the sales and use tax
18 ordinance of any *city, county, or city and county* ~~which that~~ adopts
19 a transactions and use tax ordinance ~~pursuant to Article 13~~
20 ~~(commencing with Section 29560) of Chapter 2 of Division 3 of~~
21 ~~Title 3 of the Government Code administered by the board in~~
22 ~~accordance with Part 1.6 (commencing with Section 7251).~~

23 SEC. 7. Section 7251.2 of the Revenue and Taxation Code is
24 repealed.

25 ~~7251.2. (a) Notwithstanding any other provision of law, in the~~
26 ~~case where the local transactions and use tax measures specified~~
27 ~~in subdivision (b) are both approved by the voters of the County~~
28 ~~of Los Angeles at the November 6, 1990, general election, and~~
29 ~~both measures are otherwise valid, the rate of each tax thereby~~
30 ~~imposed shall be set, for purposes of compliance with the 1 percent~~
31 ~~limitation of Section 7251.1, at one-fourth of 1 percent. If the~~
32 ~~limitation of Section 7251.1 is increased, the amount of the increase~~
33 ~~shall, on the date the increase is operative, be equally apportioned~~
34 ~~to increase the rate of each tax imposed by the measures specified~~
35 ~~in subdivision (b), up to a rate not to exceed one-half of 1 percent~~
36 ~~for each tax.~~

37 ~~(b) This section shall apply only to the local transactions and~~
38 ~~use tax measures, to be submitted to the voters of the County of~~
39 ~~Los Angeles at the November 6, 1990, general election and~~
40 ~~popularly known as the following:~~

1 ~~(1) “Los Angeles County Transportation Commission 1990~~
2 ~~Fast-Track Anti-Gridlock Transit Improvement Proposition.”~~

3 ~~(2) “Local Communities Safety Act—Los Angeles County~~
4 ~~Regional Justice Facilities Financing Agency.”~~

5 SEC. 8. Section 7252 of the Revenue and Taxation Code is
6 amended to read:

7 7252. “District,” as used in this part, means any county, ~~transit~~
8 ~~district, or rapid transit district authorized, or the Los Angeles~~
9 ~~County Transportation Commission or the Orange County~~
10 ~~Transportation Commission if or other governmental entity~~
11 ~~authorized, to impose transaction and use taxes pursuant to this~~
12 ~~part.~~

13 ~~If the measure to adopt the transaction and use tax pursuant to~~
14 ~~Section 130401 of the Public Utilities Code is not submitted to the~~
15 ~~electors of the County of Orange on or before December 31, 1985,~~
16 ~~then this section shall remain in effect only until January 1, 1986,~~
17 ~~and as of that date is repealed, unless a later enacted statute, which~~
18 ~~is enacted before January 1, 1986, deletes or extends that date. If~~
19 ~~that date is not deleted or extended, then, on and after January 1,~~
20 ~~1986, pursuant to Section 9611 of the Government Code, Section~~
21 ~~7252 of the Revenue and Taxation Code, as amended by Section~~
22 ~~11 of Chapter 672 of the Statutes of 1977, shall have the same~~
23 ~~force and effect as if this temporary provision had not been enacted.~~

24 SEC. 9. Section 7252.5 of the Revenue and Taxation Code is
25 repealed.

26 ~~7252.5. “District,” as used in this part, also means the Tahoe~~
27 ~~Transportation District, if authorized to impose transactions and~~
28 ~~use taxes pursuant to this part.~~

29 SEC. 10. Section 7252.6 of the Revenue and Taxation Code
30 is repealed.

31 ~~7252.6. “District,” as used in this part, also means the Santa~~
32 ~~Clara County Traffic Authority, if authorized to impose~~
33 ~~transactions and use taxes pursuant to this part.~~

34 ~~This section shall remain in effect as long as Division 13~~
35 ~~(commencing with Section 140000) of the Public Utilities Code,~~
36 ~~but shall be repealed upon the repeal of that division.~~

37 SEC. 11. Section 7252.7 of the Revenue and Taxation Code
38 is repealed.

1 ~~7252.7. “District,” as used in this part, also means the San~~
2 ~~Diego County Regional Transportation Commission, if authorized~~
3 ~~to impose transactions and use taxes pursuant to this part.~~

4 SEC. 12. Section 7252.8 of the Revenue and Taxation Code
5 is repealed.

6 ~~7252.8. “Districts,” as used in this part, also means a county~~
7 ~~transportation authority or the Metropolitan Transportation~~
8 ~~Commission if authorized to impose transactions and use taxes~~
9 ~~pursuant to this part.~~

10 SEC. 13. Section 7252.9 of the Revenue and Taxation Code
11 is repealed.

12 ~~7252.9. “District,” as used in this part, also means any county~~
13 ~~imposing a tax pursuant to Section 7285.~~

14 SEC. 14. Section 7252.10 of the Revenue and Taxation Code,
15 as added by Section 6 of Chapter 301 of the Statutes of 1986, is
16 repealed.

17 ~~7252.10. “District,” as used in this part, also means the Fresno~~
18 ~~County Transportation Authority, if authorized to impose~~
19 ~~transactions and use taxes pursuant to this part.~~

20 ~~This section shall remain in effect as long as Division 15~~
21 ~~(commencing with Section 142000) of the Public Utilities Code~~
22 ~~remains in effect, but shall be repealed upon the repeal of that~~
23 ~~division.~~

24 SEC. 15. Section 7252.10 of the Revenue and Taxation Code,
25 as added by Section 21 of Chapter 474 of the Statutes of 2001, is
26 repealed.

27 ~~7252.10. “District,” as used in this part, also means the Fresno~~
28 ~~County Transportation Authority, if authorized to impose~~
29 ~~transactions and use taxes pursuant to this part. This section shall~~
30 ~~remain in effect as long as Division 15 (commencing with Section~~
31 ~~142000) of the Public Utilities Code remains in effect, but shall~~
32 ~~be repealed upon the repeal of that division.~~

33 SEC. 16. Section 7252.11 of the Revenue and Taxation Code
34 is repealed.

35 ~~7252.11. “District,” as used in this part, also means the San~~
36 ~~Diego County Regional Justice Facility Financing Agency, if~~
37 ~~authorized to impose transactions and use taxes pursuant to this~~
38 ~~part.~~

39 SEC. 17. Section 7252.12 of the Revenue and Taxation Code
40 is repealed.

~~7252.12. “District,” as used in this part, also means the San Joaquin County Regional Justice Facility Financing Agency, if authorized to impose transactions and use taxes pursuant to this part.~~

SEC. 18. Section 7252.13 of the Revenue and Taxation Code is repealed.

~~7252.13. “District,” as used in this part, also means the Tuolumne County Traffic Authority, if authorized to impose transactions and use taxes pursuant to this part.~~

~~This section shall remain in effect as long as Division 15 (commencing with Section 150000) of the Public Utilities Code remains in effect, but shall be repealed upon the repeal of that division.~~

SEC. 19. Section 7252.15 of the Revenue and Taxation Code is repealed.

~~7252.15. “District,” as used in this part, also means any county regional justice facilities financing agency imposing a tax pursuant to Chapter 13.8 (commencing with Section 26299.000) of Part 2 of Division 2 of Title 3 of the Government Code.~~

SEC. 20. Section 7252.16 of the Revenue and Taxation Code is repealed.

~~7252.16. “Districts,” as used in this part, also means a local transportation authority created, or designated to serve as a local transportation authority, pursuant to Division 19 (commencing with Section 180000) of the Public Utilities Code.~~

SEC. 21. Section 7252.21 of the Revenue and Taxation Code is repealed.

~~7252.21. “District,” as used in this part, also means the San Bernardino County Transportation Commission, if authorized to impose transactions and use taxes pursuant to this part.~~

SEC. 22. Section 7252.22 of the Revenue and Taxation Code is repealed.

~~7252.22. “District,” as used in this part, also means the Riverside County Transportation Commission, if authorized to impose transactions and use taxes pursuant to this part.~~

SEC. 23. Section 7252.30 of the Revenue and Taxation Code is repealed.

~~7252.30. “District” also means the Orange County Regional Justice Facilities Commission, if authorized to impose transactions and use taxes pursuant to this part.~~

1 SEC. 24. Section 7269 is added to the Revenue and Taxation
2 Code, to read:

3 7269. The board may redistribute tax, penalty, or interest
4 distributed to a district other than the district entitled thereto, but
5 such redistribution may not be made as to amounts originally
6 distributed earlier than two quarterly periods prior to the quarterly
7 period in which the board obtains knowledge of the improper
8 distribution.

9 SEC. 25. Section 7271.05 of the Revenue and Taxation Code
10 is repealed.

11 ~~7271.05. (a) On or before March 1, 1992, the Controller shall~~
12 ~~calculate the total amount that has been transmitted to the Santa~~
13 ~~Cruz Metropolitan Transit District pursuant to Section 7271.03,~~
14 ~~and provide those calculations to the State Board of Equalization.~~

15 ~~(b) Beginning on July 1, 1992, and for each year thereafter to~~
16 ~~July 1, 1997, inclusive, the State Board of Equalization shall reduce~~
17 ~~the amounts that would otherwise be transmitted to the Santa Cruz~~
18 ~~Metropolitan Transit District pursuant to Section 7271 by an~~
19 ~~amount sufficient to recover one-fifth of the amount transmitted~~
20 ~~to that district pursuant to subdivision (c) of Section 7271.03, plus~~
21 ~~interest after January 1, 1992, or the other applicable date, at the~~
22 ~~annual rate of 3 ½ percent. The board shall distribute the reductions~~
23 ~~in transmittals over the fiscal year in the manner it determines to~~
24 ~~be least disruptive to the district.~~

25 ~~(c) The board shall transmit the amounts withheld from the~~
26 ~~Santa Cruz Metropolitan Transit District and the interest amounts~~
27 ~~pursuant to subdivision (b) to the Special Fund for Economic~~
28 ~~Uncertainties.~~

29 SEC. 26. Section 7273 of the Revenue and Taxation Code is
30 amended to read:

31 7273. In addition to the amounts otherwise provided for
32 preparatory costs, the board shall charge each district an amount
33 for the board's services in administering the transactions and use
34 tax determined by the board, with the concurrence of the
35 Department of Finance, as follows:

36 (a) Beginning with the 2006–07 fiscal year, the amount charged
37 all districts shall be based on the methodology described in
38 Alternative 4C of the November 2004 report by the State Board
39 of Equalization entitled "Response to the Supplemental Report of
40 the 2004 Budget Act." The amount charged each district shall be

1 based upon the district's proportional share of the revenue after
2 weighting the revenue to equalize the differences in district tax
3 rates.

4 (1) The amount charged each district may be adjusted in the
5 current fiscal year to reflect the difference between the board's
6 budgeted costs and any significant revised estimate of costs. Any
7 adjustment shall be subject to budgetary controls included in the
8 Budget Act. Prior to any adjustment, the Department of Finance
9 shall notify the Chairperson of the Joint Legislative Budget
10 Committee not later than 30 days prior to the effective date of the
11 adjustment.

12 (2) The amount charged *each district* shall be adjusted to reflect
13 the difference between the board's recovered costs and the actual
14 costs incurred by the board during the fiscal year two years prior.

15 (b) The board shall, by June 1 of each year, notify districts of
16 the amount that it anticipates will be assessed for the next fiscal
17 year. The districts shall be notified of the actual amounts that will
18 be assessed within 30 days after enactment of the Budget Act for
19 that fiscal year.

20 (c) The amount charged a district that becomes operative during
21 the fiscal year shall be estimated for that fiscal year based on
22 weighted revenue.

23 (d) The amounts determined by subdivision (a) shall be deducted
24 in equal amounts from the quarterly allocation of taxes collected
25 by the board for a given district.

26 SEC. 27. Chapter 2.67 (commencing with Section 7286.28) of
27 Part 1.7 of Division 2 of the Revenue and Taxation Code is
28 repealed.

29 SEC. 28. Chapter 2.8 (commencing with Section 7286.40) of
30 Part 1.7 of Division 2 of the Revenue and Taxation Code is
31 repealed.

32 SEC. 29. Chapter 2.90 (commencing with Section 7286.47) of
33 Part 1.7 of Division 2 of the Revenue and Taxation Code is
34 repealed.

35 SEC. 30. Chapter 2.95 (commencing with Section 7286.56) of
36 Part 1.7 of Division 2 of the Revenue and Taxation Code is
37 repealed.

38 SEC. 31. Chapter 2.96 (commencing with Section 7286.65) of
39 Part 1.7 of Division 2 of the Revenue and Taxation Code is
40 repealed.

1 SEC. 32. Section 7659.7 of the Revenue and Taxation Code
2 is amended to read:

3 7659.7. (a) If the failure to make a prepayment as described
4 in Section 7659.6 is due to negligence or intentional disregard of
5 this part or authorized rules and regulations, the penalty shall be
6 10 percent, instead of 6 percent.

7 (b) If any part of a deficiency in prepayment is due to negligence
8 or intentional disregard of this part or authorized rules and
9 regulations, a penalty of 10 percent of the deficiency shall be paid.

10 (c) The provisions of this section shall not apply to amounts
11 subject to the provisions of Sections 7655, 7660, 7662, 7672, 7673,
12 and 7726.

13 *(d) The 10 percent negligence penalty shall become due and*
14 *payable and shall be ascertained and determined in the same*
15 *manner as the deficiency determination under Article 4*
16 *(commencing with Section 7670) of this chapter. The provisions*
17 *of Article 6 (commencing with Section 7710) of this chapter shall*
18 *be applicable with respect to the finality of the determination and*
19 *the right of the supplier to petition for redetermination.*

20 SEC. 33. Section 9304 of the Revenue and Taxation Code is
21 amended to read:

22 9304. The Controller shall make the transfers at the same time
23 as the transfers to the Highway Users Tax Account in the
24 Transportation Tax Fund of moneys received under the Motor
25 Vehicle Fuel-LICENSE Tax Law are made.

26 SEC. 34. Section 30182 of the Revenue and Taxation Code is
27 amended to read:

28 30182. (a) ~~Except as provided in subdivision (b), every~~ Every
29 distributor shall file, on or before the 25th day of each month, a
30 report in the form as prescribed by the board, that may include,
31 but not be limited to, electronic media with respect to distributions
32 of cigarettes and purchases of stamps and meter register units
33 during the preceding month and any other information as the board
34 may require to carry out this part.

35 ~~(b) Every distributor that elects, pursuant to Section 30168, to~~
36 ~~make deferred payments on a twice-monthly basis shall file a report~~
37 ~~in the form as prescribed by the board, that may include, but not~~
38 ~~be limited to, electronic media, with respect to distributions of~~
39 ~~cigarettes and purchases of stamps and meter register units during~~
40 ~~the month following the month in which the distribution occurred~~

1 and the stamps and meter register settings were purchased, and
2 any other information as the board may require to carry out this
3 part. The monthly report shall be filed on or before the fifth day
4 of the month with respect to those distributions of cigarettes and
5 purchases of stamps and meter register settings that were made
6 during the preceding month.

7 (e)

8 (b) Reports shall be authenticated in a form, or pursuant to,
9 methods as may be prescribed by the board.

10 SEC. 35. Section 30187 of the Revenue and Taxation Code is
11 amended to read:

12 30187. Every consumer or user subject to the tax resulting
13 from a distribution of cigarettes or tobacco products within the
14 meaning of subdivision (b) of Section 30008 from whom the tax
15 has not been collected under Section 30108 shall, on or before the
16 25th last day of the month following receipt of cigarettes or tobacco
17 products *the end of the quarter*, file with the board a report of the
18 amount of cigarettes *or tobacco products* received by him or her
19 in the preceding calendar-month *quarter* in that detail as the board
20 may prescribe and in the form as prescribed by the board, which
21 may include, but not be limited to, electronic media, submitting
22 with the report the amount of tax due. Reports shall be
23 authenticated in a form or pursuant to methods as may be
24 prescribed by the board.

25 SEC. 36. Section 60653 of the Revenue and Taxation Code is
26 amended to read:

27 60653. The Controller shall make the transfers to the Highway
28 Users Tax Account in the Transportation Tax Fund pursuant to
29 Section 60652 at the same time as the transfers of moneys received
30 under the Motor Vehicle Fuel-License Tax Law are made.